



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Birkett Wootton
State of Arkansas Contractors Licensing Board
4100 Richards Road
North Little Rock, Arkansas 72117

FEB 3 2006

RE: MUR 5514
Community Water System, Inc.

Dear Mr. Wootton:

This is in reference to the complaint you filed with the Federal Election Commission on June 2, 2003, concerning Community Water System, Inc. Based on the complaint, on August 12, 2004, the Federal Election Commission found reason to believe that Community Water System, Inc. and Greg Smith knowingly and willfully violated 2 U.S.C. § 441b(a) and 2 U.S.C. § 441f, provisions of the Federal Election Campaign Act of 1971, as amended (the "Act"). Additionally, on that same date, the Commission found reason to believe that Gill Elrod Ragon Owen & Sherman P.A. ("Gill Law Firm"), Heartsill Ragon III, Charles C. Owen, Chris Travis, Cora McLaughlin, Charles McLaughlin, Luke Quinn, Danny Roberson, and Sharon Smith violated 2 U.S.C. § 441f of the Act; the Commission found that the 2 U.S.C. § 441f violations involving the Gill Law Firm, Mr. McLaughlin and Mr. Ragon were knowing and willful. Accordingly, the Commission instituted an investigation of this matter. However, after considering the circumstances of this matter, the Commission determined to take no further action and closed the file in this matter on January 17, 2006.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). A copy of the dispositive General Counsel's Report is enclosed for your information.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. *See* 2 U.S.C. § 437g(a)(8).